



U.S. SENATE COMMITTEE ON

Finance

SENATOR CHUCK GRASSLEY, OF IOWA - CHAIRMAN

<http://finance.senate.gov>

MEMORANDUM

To: Reporters and Editors
Re: U.S. case against E.U. biotech ban
Da: Tuesday, May 13, 2003

Today the Bush administration announced it is seeking consultations with the World Trade Organization over the European Union's moratorium on the approval of new biotechnology products to enter the European market. Sen. Chuck Grassley, chairman of the Committee on Finance, has worked to persuade the Administration to bring this challenge. Two weeks ago, he wrote a strong letter to U.S. Trade Representative Robert Zoellick urging that the United States promptly initiate such a case. Just last week, he delivered the same message to a group of high-ranking officials from the White House, the State Department, the Office of the U.S. Trade Representative, and the Department of Commerce at a meeting in his office. At this meeting, he issued an ultimatum of fourteen days for the Administration to decide whether to bring a case. Grassley told the officials at the meeting that if the Administration failed to initiate a case by that time, he would go to the Senate floor and start describing the need for action. Grassley made the following comment on today's announcement.

"This is a great development. The Administration is standing up for America's farmers against a misguided policy based on politics, not science. This WTO action should be straightforward. The moratorium violates the requirements of the WTO's agreement stating that the food and agricultural laws of WTO members must be founded on science.

"Iowa farmers are suffering from the European Union's policies. These policies are blocking Iowa farmers' biotech products from the European market. These are products that E.U. officials admit are perfectly safe. This situation is unfair, and we have to challenge it.

"It's sad that leaders of southern African countries with starving populations have rejected U.S. food aid of biotech products due to fears of losing export markets in Europe. As long as the European Union's moratorium stands, other countries might put their own populations at risk in an effort to comply with the European Union's misguided policies.

"I know that Iowa's farmers will appreciate the Administration's decision to initiate this case at the WTO. In addition, I'm convinced that the U.S. challenge to the European Union's biotech moratorium will build further support among U.S. agricultural producers for new international trade agreements. With the Bush administration enforcing existing U.S. rights under the WTO, support for new agreements will grow.

"As chairman of the Finance Committee, I'll monitor the U.S. case at the WTO closely. If administration officials fail to fully enforce U.S. rights in this WTO action, I'll call them to task."